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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

JUL - 6 2009

Ms. Beatriz Rivera
Environmental Engineer
Essroc San Juan
P.O. Box 366698
San Juan, Puerto Rico 00936-6698

Dear Ms. Rivera:

The United States Environmental Protection Agency (EPA), Region 2 Office has completed its review of your letters of February 23, 2009 and May 14, 2009, wherein you presented Essroc San Juan's (hereinafter, "ESJ's") proposed modification at its Portland Cement Plant in Dorado, Puerto Rico. This modification involves the installation of a new hopper, conveyor belt, a small silo and a spout to handle new cement production materials. The new material, referred to as "alternate material" in your letters, consists of pozzolanic, slag, and limestone. ESJ proposes to use up to 359,550 tons per year (TPY) of the new alternate material as substitution for up to 167,450 TPY of imported clinker or up to 359,550 TPY of clinker produced on-site. To ensure that ESJ will not exceed the amount specified for these materials, ESJ has indicated that they will monitor and record the amount of alternate material used, the amount of clinker imported and the amount of clinker produced on-site on a 365-day rolling basis. Records will be kept on-site and will be made available upon request. Based on ESJ's calculations using the baseline actual emissions for 2004 and 2005 and the potential emissions of the proposed modification, ESJ estimates that the overall plant emissions will decrease for all pollutants from this facility.

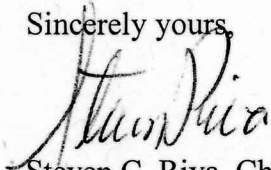
ESJ also estimates that the proposed modification will have no effect on the limits established in the August 13, 2002 preliminary PSD non-applicability determination. These limits are: 159.4 TPY of TSP on a rolling 365-day basis and 145.5 TPY of PM10 on a rolling 365-day basis; the plant-wide cement production is 850,000 tons per 365 days; and the clinker production from Kiln No. 3 is 726,117 tons of cement per 365 days. The other provisions of the 2002 determination, including the "proactive management tool" that ensures compliance with the TSP and PM10 emissions limits, also remain unchanged.

The Prevention of Significant Deterioration of Air Quality (PSD) regulations, codified at 40 CFR Part 52.21, apply to new "major" stationary sources as well as a "major modification" at existing major sources. Portland Cement Plants are one of the 28 PSD source categories with a 100 TPY "major source" threshold. ESJ is an existing major source because it has the potential to emit greater than 100 TPY. Based on the

representations made by ESJ in its February 23, 2009 and May 14, 2009 submittals and relevant electronic correspondence, it appears that the proposal to use alternate materials to substitute for all or part of the amount of clinker imported or clinker produced on-site to meet the same production rate of cement at 850,000 tons per 365 days will not trigger PSD. This preliminary assessment is predicated upon ESJ's continued compliance with the conditions of the 2002 preliminary PSD determination and ESJ's adherence to the limitation it has proposed on the use of alternate materials, imported clinker and produced clinker in the current proposed modification. Any changes to these limitations may invalidate this preliminary assessment conveyed today. Also, please note that this assessment does not constitute a final agency action and is based solely on information provided by ESJ. In the event that we learn that actual annual emissions exceed the projections presented, EPA may revisit this issue, and invoke any necessary authorities under the Clean Air Act. However, we do not anticipate further action at this time.

If you have any questions regarding this letter, please call Ms. Suilin Chan of my staff at (212) 637-4019.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Steven C. Riva", is written over the typed name.

Steven C. Riva, Chief
Permitting Section
Air Programs Branch

Bcc: S. Riva
S. Chan
APB file